

# A presentation to Senate Finance Committee



# Overview

- Who Camelot is
- Camelot's experience and track record
- What Camelot will bring to the table in Pennsylvania





# 1. Who are we?

# Who are Camelot

- Operator of the UK National Lottery for 18 years
  - Record sales levels and returns to Good Causes for past 3 years
  - To date \$60bn to Good Causes and Government and \$3.3bn for the London 2012 Olympics
  - A sales and marketing-led organization with a consumer goods industry mind-set
  - Created and operate 4 of the 10 biggest brands in the UK
  - Broad participation: 72% annually and 48% weekly
  - Invested heavily in retail and internet channels growing both over the past 10 years
  - Social responsibility at the heart of all we do
  - A strong desire to align incentives for all stakeholders
  - A company that is recognized for investing in its people





## 2. Our Experience and Track Record

# Camelot's International lottery experience



- **California** - 4-year engagement with the California State Lottery providing business planning and sales/marketing support. California is now the fastest growing lottery in the US
- **Massachusetts** - advising the State on future IT strategy, architecture and procurement - 2012
- **WCLC** - advising the lottery on internet and ecommerce practises - 2011
- **Canada** - Engaged as a consultant by Interprovincial Lottery Corporation (ILC) to lead the game development process 2012
- **South Africa** - Founding shareholder of the first operator of the South African Lottery in 1998. Providing experience on lottery operations, finance/treasury and back-office
- **EuroMillions** - Founding partner of Euro Millions, a multi-jurisdictional terminal based game across 9 countries, today an \$8bn brand.





### 3. What Camelot will Bring to the Table in Pennsylvania

# Our pledge

- Our pledge to the Commonwealth is to invest capital and resources to increase participation from infrequent, lapsed and non-players, further growing sales in a socially responsible manner
- Working in collaboration with the existing lottery team, we will invest in:
  - **People** - increasing heads, training/development, processes and tools
  - **Retail** - strategically selecting and rolling out an additional 3,400 retailers (traditional and Monitor Based Games)
  - **Terminal Based Games** - achieving growth in this category is the foundation of our business plan
  - **Instant Tickets** - broadening appeal beyond the core, heavy player
  - **Brand** - brand refresh and retail point of sale
  - **Internet** - investing in technology and people

# Key strategies for the Pennsylvania Lottery

1

Stablize and then grow  
Terminal-Based Games

2

Protect and grow  
Instant Games

3

Reinvigorate the  
Pennsylvania Lottery brand

4

Improve the customer  
retail experience

5

Expand access to core  
Lottery products

6

Introduce and grow  
monitor based games

7

Adopt leading private sector  
practices

8

Actively manage and leverage  
key vendor contracts

## Improve access to core Lottery products



# In Conclusion

- The future growth of the lottery is dependent on **increasing participation** beyond the core player.
- To do so will require new **innovation**, supported by significant **investment** of resources, people and technology.
- We believe that our **unique track record and capabilities** will be of direct relevance to the Pennsylvania Lottery
- The Private Management model creates a **commitment** of long term revenue growth for Seniors.
- The model creates a transfer of risk and total alignment incentives **guaranteed** by real money

